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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN I

UNITED STATES OF AMERICA,

v.

HIROMU USUDA,

Defendant.

Case:2:15-cr-20029
Judge: Rosen, Gerald E.
MJ: Majzoub, Mona K.
Filed: 01-22-2015 At 10:34 AM
INDI USA V HIROMU USUDA (LG)

Violation: 15 U.S.C. § 1
(Conspiracy to Restrain Trade)

INDICTMENT

The Grand Jury charges:

The Defendant and Co-conspirators

At all times relevant to this Indictment:

1. The defendant, HIROMU USUDA, was a citizen of Japan.
2. USUDA was employed by Takata Corporation ("Takata") in the Customer Relations Division as Group Manager and Department Manager for Toyota sales from at least as early as January 2005 until 2008. USUDA subsequently was employed by Takata as Department Manager for Honda and Fuji Heavy Industries ("Subaru") sales from 2008 through 2011.
3. Takata was a Japanese company with its principal place of business in Tokyo, Japan.
4. The Customer Relations Division at Takata was responsible for the sale of automotive parts, including seatbelts, to Toyota Motor Corporation, Honda Motor Company, Ltd., Nissan Motor Co., Ltd., Fuji Heavy Industries, Ltd. (Subaru), Mazda Motor Corporation, and/or certain of their subsidiaries (collectively, "Automobile Manufacturers").

5. Takata was engaged in the business of manufacturing and selling automotive parts, including seatbelts, to Automobile Manufacturers for installation in vehicles manufactured and sold in the United States and elsewhere.

6. Takata supplies automotive parts to Automobile Manufacturers in the United States through a subsidiary, TK Holdings Inc. ("TKH"), located in Auburn Hills, Michigan.

7. Various corporations and individuals, not made defendants in this Indictment, participated as co-conspirators in the offenses charged herein and performed acts and made statements in furtherance thereof. Whenever this Indictment refers to any act, deed, or transaction of any company, it means that the company engaged in the act, deed, or transaction by or through its officers, directors, employees, agents, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

Background of the Offense

8. During the period covered by this Information, USUDA and his co-conspirators supplied seatbelts to the Automobile Manufacturers for installation in vehicles manufactured and sold in the United States and elsewhere. During the period covered by this Information, USUDA and his co-conspirators manufactured seatbelts (a) in Japan and elsewhere for export to the United States and installation in vehicles manufactured and sold in the United States; and (b) in Japan and elsewhere for installation in vehicles manufactured in Japan for export to and sale in the United States.

9. Seatbelts are safety strap restraints designed to secure an occupant in position in a vehicle in the event of an accident. A seatbelt includes belt webbing, a buckle, a retractor, and hardware for installation in a vehicle. It may also include, depending on the requirements of the

vehicle manufacturer, a height adjuster, a pretensioner, or other devices associated with the seatbelt.

10. When purchasing seatbelts, Automobile Manufacturers issue Requests for Quotation (“RFQs”) to automotive parts suppliers, typically on a model-by-model basis. Automotive parts suppliers submit quotations, or bids, to Automobile Manufacturers in response to RFQs. Automobile Manufacturers award the business to the selected automotive parts supplier for the lifespan of the model, which is usually four to six years. Typically, the bidding process for a particular model begins approximately three years prior to the start of production of the model that is the subject of the RFQ. Automobile Manufacturers procure parts for U.S.-manufactured vehicles both in Japan and the United States.

Conspiracy to Restrain Trade

11. Takata and its co-conspirators participated in a combination and conspiracy to suppress and eliminate competition in the automotive parts industry in the Eastern District of Michigan and elsewhere, from at least as early as January 1, 2003 to at least February 2011, the exact dates being unknown to the Grand Jury, by agreeing to rig bids for, and to fix, stabilize, and maintain the prices of, seatbelts sold to Automobile Manufacturers in the United States and elsewhere. Usuda participated in the conspiracy from at least January 1, 2005 through at least February 2011, the exact dates being unknown to the Grand Jury. The combination and conspiracy engaged in by USUDA and his co-conspirators was in unreasonable restraint of interstate and foreign trade and commerce in violation of the Sherman Antitrust Act, 15 U.S.C. § 1.

12. The charged combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among USUDA and his co-conspirators, the substantial

terms of which were to rig bids for, and to fix, stabilize, and maintain the prices of, seatbelts sold to Automobile Manufacturers in the United States and elsewhere.

Manner and Means of the Conspiracy

13. For purposes of forming and carrying out the charged combination and conspiracy, USUDA and his co-conspirators did those things that they combined and conspired to do, including, among other things:

a. participating in, and directing, authorizing, or consenting to the participation of subordinate employees in, meetings, conversations, and communications in the United States and Japan to discuss the bids and price quotations to be submitted to Automobile Manufacturers in the United States and elsewhere;

b. agreeing, and directing, authorizing, or consenting to subordinate employees agreeing, during those meetings, conversations, and communications, on bids and price quotations to be submitted to Automobile Manufacturers in the United States and elsewhere;

c. agreeing, and directing, authorizing, or consenting to subordinate employees agreeing, during those meetings, conversations, and communications, to allocate the supply of seatbelts sold to Automobile Manufacturers in the United States and elsewhere on a model-by-model basis;

d. approving collusive and noncompetitive prices agreed upon by subordinates during those meetings, conversations, and communications in the United States and elsewhere;

e. submitting bids and price quotations to Automobile Manufacturers in the United States and elsewhere in accordance with the agreements reached;

- f. selling seatbelts to Automobile Manufacturers in the United States and elsewhere at collusive and noncompetitive prices;
- g. accepting payment for seatbelts sold to Automobile Manufacturers in the United States and elsewhere at collusive and noncompetitive prices; and
- h. engaging in meetings, conversations, and communications in Japan and elsewhere for the purpose of monitoring and enforcing adherence to the agreed-upon bid-rigging and price-fixing scheme.

Trade and Commerce

14. During the period covered by this Information, USUDA and his co-conspirators sold to the Automobile Manufacturers located in various states in the United States substantial quantities of seatbelts shipped from outside the United States and from other states in a continuous and uninterrupted flow of interstate and foreign trade and commerce. In addition, substantial quantities of equipment and supplies necessary to the production and distribution of seatbelts sold by USUDA and his co-conspirators, as well as payments for seatbelts sold by USUDA and his co-conspirators, traveled in interstate and foreign trade and commerce. The business activities of USUDA and his co-conspirators in connection with the production and sale of seatbelts that were the subject of the charged conspiracy were within the flow of, and substantially affected, interstate and foreign trade and commerce.

Jurisdiction and Venue

15. The combination and conspiracy charged in this Indictment was carried out, at least in part, within the Eastern District of Michigan within the five years preceding the filing of this Indictment.

All in violation of Title 15, United States Code, Section 1.

A TRUE BILL.

s/Grand Jury Foreperson
Grand Jury Foreperson

Dated: 1 / 22 / 2015

s/Brent C. Snyder
Brent C. Snyder
Deputy Assistant Attorney General
Antitrust Division
United States Department of Justice

s/Lisa M. Phelan
Lisa M. Phelan
Chief, Washington Criminal I Section
Antitrust Division
United States Department of Justice

s/Marvin N. Price, Jr.
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ORIGINAL.United States District Court
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NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to con

Reassignment/Recusal Information This matter was opened in the USAO prior to August 15, 2008 []

Companion Case Information	Companion Case Number: 13-20741/14-20324
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned: Steeh/Battani
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	AUSA's Initials:

Case Title: USA v. HIROMU USUDA**County where offense occurred :** Oakland County and Elsewhere**Check One:** ☒ **Felony** ☐ **Misdemeanor** ☐ **Petty**

☒ Indictment/___ Information --- **no** prior complaint.
 ___ Indictment/___ Information --- based upon prior complaint [Case number:]
 ___ Indictment/___ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

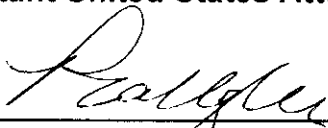
Superseding Case Information**Superseding to Case No:** _____ **Judge:** _____

- ☐ Original case was terminated; no additional charges or defendants.
☐ Corrects errors; no additional charges or defendants.
☐ Involves, for plea purposes, different charges or adds counts.
☐ Embraces same subject matter but adds the additional defendants or charges below:

Defendant name**Charges****Prior Complaint (if applicable)****Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.**

January 22, 2015

Date


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 United States Department of Justice
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¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated